GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5970
ANSWERED ON:31.08.2001
BOUNCED CHEQUES
SURESH RAMRAO JADHAV (PATIL)

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have constituted a panel to sort out the knotty problem of bounced cheques;

(b) if so, the details thereof alongwith its terms of reference;

(c) the time by which the panel is likely to submit its report; and

(d) the concrete steps taken/proposed to be taken to amend Negotiable Instruments Act, 1881 to deal strictly with the cases of unpaid cheques?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a), (b), (c) & (d) : Ministry of Law, Justice and Company Affairs constituted a Working Group under the Chairmanship of Shri S.B. Jaisinghani, Additional Solicitor General of India to review the law relating to section 138 to 142 of Negotiable Instruments Act, 1881 and make recommendations as to what changes are needed to be made to effectuate purpose of these sections. The Working Group submitted its report which was examined in consultation with Reserve Bank of India.Accordingly a bill was introduced in the Lok Sabha on 24th July, 2001 to amend various sections of the Negotiable Instruments Act. The said Bill has been referred to Standing Committee on Finance by the Hon`ble Speaker